

**UNIFORM COMMERCIAL CODE (EXCERPT)**  
**Act 174 of 1962**

**PART 6**

**WAREHOUSE RECEIPTS AND BILLS OF LADING: MISCELLANEOUS PROVISIONS**

**440.7601 Lost, stolen or destroyed documents of title; delivery of goods, indemnity.**

Sec. 7601. (1) If a document has been lost, stolen or destroyed, a court may order delivery of the goods or issuance of a substitute document and the bailee may without liability to any person comply with such order. If the document was negotiable the claimant must post security approved by the court to indemnify any person who may suffer loss as a result of nonsurrender of the document. If the document was not negotiable, such security may be required at the discretion of the court. The court may also in its discretion order payment of the bailee's reasonable costs and counsel fees.

(2) A bailee who without court order delivers goods to a person claiming under a missing negotiable document is liable to any person injured thereby, and if the delivery is not in good faith becomes liable for conversion. Delivery in good faith is not conversion if made in accordance with a filed classification or tariff or, where no classification or tariff is filed, if the claimant posts security with the bailee in an amount at least double the value of the goods at the time of posting to indemnify any person injured by the delivery who files a notice of claim within 1 year after the delivery.

**History:** 1962, Act 174, Eff. Jan. 1, 1964.

**440.7602 Judicial process; surrender of document of title; innocent purchaser for value.**

Sec. 7602. Except where the document was originally issued upon delivery of the goods by a person who had no power to dispose of them, no lien attaches by virtue of any judicial process to goods in the possession of a bailee for which a negotiable document of title is outstanding unless the document be first surrendered to the bailee or its negotiation enjoined, and the bailee shall not be compelled to deliver the goods pursuant to process until the document is surrendered to him or impounded by the court. One who purchases the document for value without notice of the process or injunction takes free of the lien imposed by judicial process.

**History:** 1962, Act 174, Eff. Jan. 1, 1964.

**440.7603 Conflicting claims; interpleader.**

Sec. 7603. If more than one person claims title or possession of the goods, the bailee is excused from delivery until he has had a reasonable time to ascertain the validity of the adverse claims or to bring an action to compel all claimants to interplead and may compel such interpleader, either in defending an action for nondelivery of the goods, or by original action, whichever is appropriate.

**History:** 1962, Act 174, Eff. Jan. 1, 1964.